THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:	Brian J. M Robert E. Michael C		r
In the Matter of the Joint Applic United Telephone Company of Kan United Telephone of Eastern Kans (United) and Twin Valley Telepho (Twin Valley), for Permission of U Cease Operating as a Telephone Utility in Thirteen of its Exchanges, Twin Valley a Certificate of Convenience for the Same Exchanges, and for Authority to Property, Plant and Equipment of Located in the Thirteen Exchanges Valley and Complete All Matters Income Transfer.	sas, Inc. sas, Inc. sas, Inc. sne, Inc. fnited to Public to Grant Public Thirteen Transfer United to Twin		Docket No. 06-TWVT-116-COC
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ORDER AND CERTIFICATE

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and determination. Having examined its files and records and being fully advised in the premises, the Commission finds and concludes as follows:

Background

1. United Telephone Company of Kansas, Inc. and United Telephone of Eastern Kansas, Inc. (United) and Twin Valley filed a joint application on August 1, 2005, requesting approval for Twin Valley's acquisition of thirteen exchanges from United and a certificate of public convenience and authority to begin operation in these exchanges. The thirteen exchanges are Aurora, Green and Morganville owned by United Telephone Company of Eastern Kansas, and Clifton, Clyde, Delphos, Glasco, Leonardville, Longford, Milford, Olsburg, Riley, and Wakefield owned by United Telephone Company of Kansas. Twin Valley's request for a

certificate of convenience was docketed in this docket. United's request to cancel its certificates of convenience for the thirteen exchanges, once the Commission granted Twin Valley permission to acquire the exchanges, was docketed in Docket No. 06-UTDT-115-CCS.

- 2. On August 9, 2005, the Citizen's Utility Ratepayers Board (CURB) filed to intervene in the docket. On August 10, 2005, the Commission granted CURB's petition.
- 3. On August 26, 2005, The Commission ordered United to notify its customers in the thirteen exchanges of its plan to sell the exchanges to Twin Valley. The notice established a public comment period for customers to comment on the proposed sale.¹
- 4. On October 21, 2005, United and Twin Valley filed an amendment to the joint applications which modified the method that will be used to transition customers' service from United to Twin Valley.
- 5. On November 3, 2005, Commission staff (Staff) Twin Valley, and CURB filed a Joint Motion to Approve Stipulation and Agreement in this docket. United did not object to that filing. On November 17, 2005, Staff, United, and CURB filed a Joint Motion to Approve Stipulation and Agreement in Docket No. 06-UTDT-115-CCS. Twin Valley had no objection to that filing.
- 6. A small number of customers in the thirteen exchanges are served by eight Competitive Local Exchange Carriers (CLECs) through interconnection agreements with United. The CLECs are listed beginning on page five of the Stipulation and Agreement (S&A). These CLECs will be notified by United of the sale to Twin Valley. Twin Valley has agreed to take the necessary steps to ensure continued service to the CLECs. The CLECs were served a copy of the Joint Motion and the S&A to ensure the CLECs were fully aware of the S&A and the

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¹ The Office of Public Affairs and Consumer Protection submitted a memorandum to the Commission summarizing the comments. The memorandum is part of the official file. The comments were addressed in the Joint Motion to Approve Stipulation and Agreement filed on November 3, 2005.

ramification of the S&A on service to the customers in the exchanges being sold to Twin Valley.

None of the CLECs have intervened in this docket or filed objections to the Joint Motion and S&A.

- 7. Twin Valley is registered as a domestic corporation with the Kansas Secretary of State's office and is currently "active and in good standing."
- 8. Along with its application, Twin Valley submitted evidence in support of its fitness to operate as a telecommunications company in the State of Kansas. Staff reviewed the evidence provided in support of Twin Valley's technical expertise and asserted its belief that the company appears to have the managerial, technical, and financial capabilities to provide the proposed local exchange telecommunications service.

Findings and Conclusions

9. The Commission has jurisdiction to supervise and control telecommunications public utilities doing business in Kansas pursuant to K.S.A. 66-1,188. Twin Valley is a telecommunications public utility pursuant to K.S.A. 66-1,187 and is therefore subject to the Commission's jurisdiction.

A. Technical, Managerial and Financial Capabilities

10. The Commission finds that Twin Valley has demonstrated sufficient managerial, technical and financial capabilities to operate as a telecommunications public utility. A review of the materials submitted demonstrates that Twin Valley has management and employees with telecommunications experience. It is clear that Twin Valley possesses the requisite expertise and ability to provide efficient and sufficient local exchange and exchange access services.

B. Public Convenience and Necessity

11. The Public Utilities Act, K.S.A. 66-101 *et seq.*, does not define the term public convenience. However, the term has been discussed by the Kansas Supreme Court. In *Central Kansas Power Co. v. State Corporation Commission*, 206 Kan. 670, 676, 482 P.2d 1 (1971), the Court stated:

Public convenience means the convenience of the public, not the convenience of particular individuals. [citations omitted.] Public necessity does not necessarily mean there must be a showing of absolute need. As used, the word 'necessity' means a public need without which the public is inconvenienced to the extent of being handicapped.

See also, General Communications Systems, Inc. v. State Corporation Commission, 216 Kan. 410, 418, 532 P.2d 1341 (1975); Atchison, Topeka & Santa Fe Railway Co. v. Public Service Commission, 130 Kan. 777, 288 P.2d 755 (1930). Public convenience is a relative term, established by proof of the conditions existing in the territory to be served. Atchison at 781.

12. In Central Kansas Power Co. at 677, citing Kansas Gas & Electric Co. v. Public Service Comm., 122 Kan. 462, 251 P.2d 1097, the Court set forth the criteria to consider when granting a certificate as follows:

[i]n determining whether such certificate of convenience and necessity should be granted, (1) the public convenience ought to be the commission's primary concern; (2) the interest of public utility companies already serving the territory secondary; and (3) the desires and solicitations of the applicant a relatively minor consideration.

13. The Commission has taken all these matters into consideration in reviewing this application and finds that approving this application will benefit the public in the area to be served by Twin Valley. Twin Valley is a telecommunications public utility with long history of exemplary service to its customers in the state of Kansas and the Commission is satisfied Twin Valley will expand that exemplary service into the newly acquired exchanges.

C. Issuance of Certificate

- 14. The Commission finds that it should grant the Joint Motion, approve the Stipulation, and issue Twin Valley a certificate of convenience and authority to provide incumbent local exchange telecommunications services in the thirteen exchanges in accordance with the provisions of K.S.A. 66-131. Twin Valley, by issuance of this Certificate and Order, is the successor of United in the thirteen exchanges for purposes of determining the carrier of last resort in those exchanges as specified in K.S.A. 66-2009(a).
- 15. Twin Valley is required to file an annual report with the Commission and to notify the Commission of any changes in its structure or operation. Twin Valley must file an annual report with the Commission and pay any Commission assessments. Twin Valley shall also report its revenues, using the KUSF Carrier Remittance Worksheet, as well as any changes in its name or corporate structure, to the KUSF Administrator for Kansas Universal Service purposes.
- 16. The Commission approves the parties' agreement on KUSF issues as detailed in paragraphs 20 and 21 of the S &A.
- 17. The parties to the S&A noted that Twin Valley provided Staff with extensive information regarding new investment plans associated with the future upgrades to the acquired exchanges. The parties stated that Staff did not require the investment upgrades, did not make a judgment about the planned upgrades, or recommend approval of them. In this docket Twin Valley only seeks a certificate of convenience and approval for the purchase of the thirteen exchanges. Any issues related to the investments are not addressed in this docket and will be addressed in any future audit or rate application. The parties agreed in the S&A that Twin Valley does not and will not seek recovery of an acquisition premium related to this transaction.

- 18. Twin Valley has applied for waiver by the Federal Communications Commission (FCC) of that agency's rules regarding transfer of study areas, to permit removal of the thirteen exchanges from the United study area and to add them to the Twin Valley study area. One requirement for such FCC waiver is the lack of objection thereto by this Commission. The Commission does not object to the FCC waiver of its rules to permit removal of the thirteen exchanges from the United study area and to add them to the Twin Valley study area.
- 19. Twin Valley shall file tariffs within 45 days after the Commission approval or at least 30 days prior to the first cutover of any of the thirteen exchanges, whichever occurs first. The tariffs shall conform to the agreements and conditions related to rates and services detailed in paragraphs 9 and 10 of the S&A.
- 20. The Commission has been presented with an S&A in this docket to which there is no opposition. The S&A represents a compromise by Twin Valley, Staff, and CURB on several contested issues. The law favors compromise and settlement of disputes. *Bright v. LSI Corp.*, 254 Kan. 854, 858, 869 P.2d 686 (1994). The Commission finds that the S&A is a fair and reasonable resolution of the issues in this proceeding and that granting Twin Valley a certificate to operate in the thirteen exchanges (along with canceling United's certificate in Docket No. 06-UTDT-115-CCS) is in the public interest. The S&A, detailing the parties' agreements and resolutions of the issues related to the transfer of the thirteen exchanges is adopted and approved.
- 21. The S&A is included as Attachment A. The metes and bounds descriptions of the thirteen exchanges that are the subject of this Order and Certificate are included as Attachment B. Both attachments are incorporated as part of this Order and Certificate.

IT IS, THEREFORE, BY THE COMMISSION ORDERED THAT:

A. The Joint Motion of Staff, Twin Valley, and CURB requesting approval of the

Stipulation and Agreement is granted. The Stipulation and Agreement is approved.

B. The application of Twin Valley Telephone, Inc. for a certificate of convenience

and authority to provide incumbent local exchange services in the thirteen exchanges described

in Attachment 1 to this Order and Certificate, pursuant to K.S.A. 66-131, is approved as set out

above.

C. Twin Valley shall file tariffs within 45 days after the Commission approval or at

least 30 days prior to the first cutover of any of the thirteen exchanges, whichever occurs first.

D. The parties have fifteen days, plus three days if service of this order is by mail,

from the date this order was served in which to petition the Commission for reconsideration of

any issue or issues decided herein. K.S.A. 66-118; K.S.A. 2004 Supp. 77-529(a)(1).

E. The Commission retains jurisdiction over the subject matter and the parties for the

purpose of entering such further order or orders as it may deem necessary.

BY THE COMMISSION IT IS SO ORDERED AND CERTIFIED.

Moline, Chr.; Krehbiel, Com; Moffet, Com.

ORDER MAILED

Dated: NOV

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Susan The Executive Director

Susan K. Duffy, Executive Director

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BEFORE THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

In the Matter of the Joint Application of)	
United Telephone Company of Kansas, Inc.)	
United Telephone of Eastern Kansas, Inc.)	
(United) and Twin Valley Telephone, Inc.)	
(Twin Valley), for Permission of United to)	
Cease Operating as a Telephone Public)	Docket No. 06-TWVT-116-COC
Utility in Thirteen of its Exchanges, to Grant)	
Twin Valley a Certificate of Public)	
Convenience for the Same Thirteen)	
Exchanges, and for Authority to Transfer)	
Property, Plant and Equipment of United)	
Located in the Thirteen Exchanges to Twin)	
Valley and Complete All Matters Incident to)	
the Transfer.)	

STIPULATION AND AGREEMENT

This Stipulation and Agreement (S&A) is entered into between Twin Valley Tele-Communications, Inc. (Twin Valley), the Citizens' Utility Ratepayer Board (CURB) and the Staff of the Corporation Commission of the State of Kansas (Staff and Commission, respectively). The above parties may be referred to collectively as "the parties." This S&A is a joint recommendation of the parties and may not represent the recommendations that would have been presented by the parties in this docket absent an S&A. A willingness to be a party to this S&A does not bind any party from taking other positions in future proceedings; it merely indicates that the party sees the S&A terms as a reasonable compromise which can be recommended to the Commission in matters relating to the purchase of these certificated exchanges by Twin Valley. The parties agree that adoption of this S&A is in the public interest and that the stipulations, as set forth below, should be approved by the Commission.

Background

- 1. The Commission is vested with the power and authority to supervise, control, and regulate each telecommunications public utility operating in Kansas pursuant to K.S.A. 66-1,188. Further, the Commission is empowered to do all things necessary and convenient for the exercise of such power, authority, and jurisdiction.
- 2. United Telephone Company of Kansas, Inc. and United Telephone Company of Eastern Kansas, Inc. (collectively referred to as "United") and Twin Valley filed a joint application on August 1, 2005, requesting approval for Twin Valley's acquisition of thirteen exchanges from United and a certificate of public convenience and authority to begin operation in these exchanges. The thirteen exchanges are Aurora, Green and Morganville owned by United Telephone Company of Eastern Kansas, and Clifton, Clyde, Delphos, Glasco, Leonardville, Longford, Milford, Olsburg, Riley, and Wakefield owned by United Telephone Company of Kansas. Based on 2004 data, these exchanges represent 5,226 billable customer access lines, including 48 resold lines. The purchase of these exchanges will approximately triple the number of access lines served by Twin Valley. The exchanges are located northwest of Junction City, and will give Twin Valley a contiguous service area stretching from north of Manhattan on the east to just east of Lincoln on the west.
- 3. On August 9, 2005, CURB filed to intervene in the docket. On August 10, 2005, the Commission granted CURB's petition and also issued a protective order.
- 4. On October 21, 2005, United and Twin Valley filed an amendment to convert the thirteen exchanges in stages rather than all at one time. This allows the parties to make a more coordinated cutover and ensure better service to the customers during the transition.

Financial/Operational Qualifications

5. Twin Valley has sufficient managerial and operational qualifications to obtain certification to serve these territories since it is an experienced provider of local service and currently serves six exchanges in north central Kansas. Twin Valley has indicated that it will expend \$2 million of its own cash and has secured a Rural Utility Service (RUS) loan to fund the remainder of the purchase price, as well as an extensive upgrade of the facilities. Based on the current cash flow for the exchanges, the parties agree that the purchase price is reasonable for the revenue stream being acquired.

Twin Valley Request for an Acquisition Premium

6. Twin Valley does not and will not seek an acquisition premium (AP). Thus, the premium in the purchase price over the net book value will be booked below the line and not given any treatment for regulatory purposes.

Facility Upgrades

- 7. United has deployed Digital Subscriber Line (DSL) service in four exchanges: Leonardville, Milford, Riley, and Wakefield. The service is available to customers within 15,000 feet of the wire centers, which makes DSL available to approximately 70% of the customers in the four exchanges. Twin Valley has indicated plans to expand broadband service to all the exchanges and make facility upgrades to extend DSL beyond the current distance limitation, in order to make enhanced services available to all customers.
- 8. As part of the review process, Twin Valley provided Staff with extensive information regarding new investment plans associated with the future upgrades to the acquired

exchanges. This information was provided because the RUS loan includes funding for the upgrade, as well as a portion of the purchase price, and the company's future cash flow statements includes these investment plans. However, in detailing its anticipated cash flows to support its planned investments, Twin Valley makes numerous assumptions about the future of Federal USF support and interstate access cost recovery. These two sources of revenue are forecast to increase several fold after the new investment is put into place. However, these forecasts do not incorporate the fact that the FCC is considering modification of the Federal USF support mechanism. In this S&A regarding the sale, Staff is not requiring the investment upgrades, not making a judgment about the planned upgrades, nor recommending approval of them. In this docket Twin Valley only seeks a certificate of convenience and approval for the purchase of the 13 exchanges. The parties agree that any issues related to the investments are not addressed in this docket and will be addressed in any future audit or rate application.

Tariffs

- 9. When a service provider purchases an exchange, the new provider is likely to have different tariffed rates than the previous local exchange carrier (LEC). Thus, this S&A defines how Twin Valley's tariffs will apply so that customers are not impacted in a negative way.
- 10. Twin Valley agrees to implement tariffs as shown in its revised response to Data Request No. 5 and as delineated herein. Twin Valley indicates that it will continue to charge the Local Service rates currently charged by United and add those as separate rate groups to Twin Valley Services Tariff. Twin Valley will use its own General Exchange Tariff rates for all other services (i.e. call waiting, caller ID, installation charges, etc.). United offers a number of

discounted service bundles to its customers. Twin Valley agrees to offer the local service features contained in these bundles so that the rates are equal to or less than the rates offered by United. In a separate S&A, Sprint Long Distance will agree to grandfather its long distance plan service when it is part of a bundle of services. Twin Valley is free to offer its own toll service as an alternative to these customers. Twin Valley will use its own access tariff. The intrastate access rates for Twin Valley and United are both approximately 2¢ per minute. Furthermore, Twin Valley agrees to not increase any rates for its existing customers as a result of the acquisition of the thirteen exchanges from United. Twin Valley agrees to file proposed tariffs within 45 days after Commission approval or at least 30 days prior to the first cutover, whichever occurs first.

CLEC Entry into the Thirteen Exchanges

11. Many Competitive Local Exchange Carriers (CLECs) have requested certification to operate in United's service territory. United has identified the CLECs that are providing service in the thirteen exchanges. Twin Valley agrees to provide resale and interconnection service to the following eight CLECs, which are providing service in the thirteen exchanges and also have existing interconnection agreements with United:

Company T	ype of Service	Interconnection Agreement Dkt No.
Basic Phone, Inc.	Resale only	99-UTDT-841-IAT
Budget Phone	Resale only	??-UTDT-???-IAT ¹
dPI Teleconnect	Resale only	99-UTDT-842-IAT
Giant Communications, Inc.	Resale & UNE	01-UTDT-641-IAT
Local Telephone Services LLC	Resale only	00-UTDT-376-IAT
Metro Teleconnect	Resale only	02-UTDT-695-IAT ¹

Sprint is in the process of renegotiating an interconnection agreement with these two CLECs. Twin Valley agrees to provide resale service to these two CLECs using the newly negotiated contracts for a minimum of six months after cutover. At that time Twin Valley may continue using the United negotiated contract until the expiration date, or may negotiate new interconnection agreements with these two CLECs.

12. Twin Valley agrees to continue resale of services at the same discount rate, terms, and conditions as provided by United respectively to each of the CLECs identified above through the balance of each CLEC's current interconnection agreement with United. Prior to the expiration of each CLEC's existing interconnection agreement with United, Twin Valley will enter into good faith negotiations with the CLEC for a new interconnection agreement so as to continue to provide resale of services to the CLECs providing service in the thirteen exchanges. Twin Valley agrees that prior to cutover it will take all necessary steps to ensure that any necessary agreements are in place to ensure that the affected CLECs are able to continue to provide service to their customers. Twin Valley will contact the affected CLECs within 10 days after approval by the Commission of this Stipulation and Agreement and provide contact information to the affected CLECs for service order processing and inquiries. Twin Valley will provide CLECs the cutover dates as soon as possible prior to cutover of each exchange in which a CLEC provides service.

Continuation of Extended Area Service

- 13. The Olsburg exchange has extended area service (EAS) to Westmoreland, a Blue Valley exchange. Twin Valley agrees to continue EAS service to Westmoreland as provided for in United's Local Service Tariff. Twin Valley will make any necessary arrangements with Blue Valley for the exchange of EAS traffic.
- 14. The Milford and Wakefield exchanges have EAS to Junction City, a United exchange. Twin Valley agrees to continue EAS service to Junction City as provided for in

United's Local Service Tariff. Twin Valley will make any necessary arrangements with United for the exchange of EAS traffic.

Twin Valley agrees to continue EAS service between Riley and Leonardville as provided for in United's Local Service Tariff. Furthermore, Twin Valley agrees to include all of these EAS routes in its tariff update related to the acquisition of the thirteen exchanges.

Continuation of Other Existing Services

- 16. Pursuant to a stipulation reached in Docket No. 00-UTDT-455-GIT and extended in 02-GIMT-272-MIS, United agreed to provide free "800" service to certain county seats and rural school districts. None of the exchanges being sold is a county seat, but several school districts² are receiving the free "800" service. Twin Valley agrees to provide free "800" service to qualified customers under terms of the current stipulation, which expires June 2008.
- 17. United currently provides Local Number Portability (LNP) for the thirteen exchanges. Twin Valley has an exemption from the LNP requirement for its existing exchanges. Twin Valley agrees that it has completed the necessary upgrades and is now generally capable of providing LNP for its own exchanges and will provide LNP service to the thirteen exchanges at cutover. To the extent the factual basis for the waiver granted to Twin Valley in the Commission's Docket No. 05-TWVT-1092-MIS exists in the thirteen exchanges, i.e., in situations where the requesting wireless carrier does not have a point of interconnection in the subject rate center, the waiver granted in that proceeding should apply to Twin Valley's LNP

² In response to CURB DR 1.4, United identifies the five as Glasco grade school, Glasco high school, Olsburg elementary school, Blue Valley high school (Leonardville), and Randolph middle school (Leonardville).

responsibility in the thirteen exchanges.³ The waiver should be effective, as provided in the earlier proceeding, only until the Federal Communications Commission resolves finally the rating and routing issues forming the basis for the waiver. If there are any lines in the thirteen exchanges that have been ported to a wireless carrier at cutover, Twin Valley agrees to continue to provide LNP service for those lines.

Carrier of Last Resort

18. Twin Valley, by virtue of the issuance of a Certificate of Convenience and Authority herein, will be the successor to United in the thirteen exchanges for purposes of determining the carrier of last resort in those exchanges as specified in K.S.A. 66-2009(a).

Exchange Descriptions

19. Staff's review identified a number of discrepancies between the Commission's metes and bounds descriptions for the exchanges and those filed by the companies. After review by the companies, the corrected metes and bounds are contained in United's reply to Staff Data Request No. 20, and are included as Attachment 1 to this S&A. The parties agree that these corrected descriptions should be used in the Commission's order to describe the exchanges. Any subscribers outside these certified areas now being served by United (and Twin Valley following the sale), or any subscribers within these areas now being served by other LECs from other exchanges may continue receiving service until such time as they are legally disconnected.⁴

³ The LNP waiver does not apply to Alltel, a wireless carrier, which has a point of presence in the Twin Valley service area. Alltel has around 100 ported lines in the 13 exchanges.

⁴ "legally disconnected" simply means that the customer may continue service until he/she decides to disconnect or is disconnected for nonpay or misuse of telephone service, in compliance with the Billing Practice Standards and company tariffs.

KUSF Related Issues

- 20. Beginning on the effective date of sale, Twin Valley is authorized to assess the rural LEC average per line KUSF assessment to the customers within the 13 exchanges, as determined annually by the Commission. Lifeline credits provided by Twin Valley to customers within each purchased exchange will be equal to the amount of credit provided by United. If the effective date of sale is prior to March 1, 2006, Twin Valley will receive the same amount of KUSF support that Sprint was receiving, as determined by the High Cost Model approved by the Commission in Docket No. 99-GIMT-326-GIT. Consistent with Commission orders, the Gross KUSF support payable will be reduced by the average per line Federal High Cost Loop, Local Switching, and Safety Net Support, (Federal USF) received by United of Kansas and United of Eastern Kansas study areas, respectively, for KUSF Year 9, for all KUSF supportable lines. This process is consistent with Twin Valley's response to Staff Data Request No. 10.
- 21. For the KUSF Year 10 calculations, Staff will impute the March 1 through October 31, 2005 revenues reported by United for the 13 exchanges to Twin Valley to determine the Company's KUSF assessable revenues. To determine Twin Valley's total KUSF assessable lines, Staff will impute the total KUSF assessable lines reported by United for the 13 exchanges, as of September 30, 2005, to Twin Valley. The KUSF support Twin Valley will receive for the 13 exchanges will be based on the total KUSF supportable lines reported by United for each zone within the 13 exchanges, as of September 30, 2005. These lines, by exchange and zone, will be applied to the High Cost Model approved by the Commission in Docket No. 99-GIMT-326-GIT to arrive at the Gross KUSF support payable. Consistent with Commission orders, the Gross KUSF support payable will be reduced by the average per line Federal High Cost Loop, Local Switching, and Safety Net Support, (Federal USF) received by United of Kansas and United of

Eastern Kansas study areas, respectively, as determined for the Fourth Quarter 2005, for all KUSF supportable lines. The Federal USF offset in subsequent years will be based on the average per line support Twin Valley receives for the 13 exchanges. The amount of net KUSF support Twin Valley will receive for the 13 exchanges will be no less than the net KUSF support calculated for KUSF Year 10. This process will remain in place until Twin Valley seeks KUSF support for its own investment or the Commission initiates an audit or investigation.

Study Area Waiver by the Federal Communications Commission

22. Twin Valley has applied for waiver by the Federal Communications Commission ("FCC") of that agency's rules regarding transfer of study areas, to permit removal of the Exchanges from the United study area and to add them to the Twin Valley study area. Such waiver would, if approved, improve revenue stability and reduce administrative expenses for Twin Valley. One requirement for such FCC waiver is the lack of objection thereto by the KCC. The parties agree that such waiver is in the public interest and recommend that in approving this Stipulation and Agreement the Commission explicitly state its lack of objection to FCC waiver of its rules to permit removal of the Exchanges from the United study area and to add them to the Twin Valley study area.

Agreement

23. With the resolution of the above issues between the parties, CURB's and Staff's concerns with the transaction have been addressed. The parties request that the Commission approve the sale and transfer of property, and grant Twin Valley's request for a Certificate of Public Convenience and Authority to be the incumbent local exchange carrier for the thirteen

exchanges. The parties also request the Commission adopt this S&A as a resolution of the issues related to the transfer. After Commission approval Twin Valley will seek FCC approval of the transaction. Upon FCC approval, United and Twin Valley will make the necessary network filings to change call routing, which will enable them to implement the cutover within 120 days or March 31, 2006, which ever comes later.

Reservations

- 24. This S&A fully resolves issues specifically addressed in this S&A between the parties. The terms of the S&A constitute a fair and reasonable resolution of the issues addressed.
- 25. The terms and provisions of this S&A have resulted from negotiations between the parties and are interdependent. In the event the Commission does not approve and adopt the terms of the S&A in total, any party has the option to terminate this S&A and, if so terminated, none of the signatories shall be bound by, prejudiced by, or in any way affected by any of the agreements or provisions of the S&A, unless otherwise provided.
- 26. Unless and only to the extent otherwise specified in this S&A, the parties to this S&A shall not be prejudiced by, bound by, or affected in any way by the terms of the S&A: (1) in any further Commission or court proceeding; (2) in any proceeding currently pending under a separate docket; and/or, (3) in this proceeding, if the Commission decides not to approve this S&A in total or in any way conditions its approval of the same. The Commission's approval of this S&A shall have no precedential effect in any other proceeding.

- 27. This S&A does not prejudice or waive any party's legal rights, positions, claims, assertions, or arguments in any proceedings in this docket or any other proceeding before this Commission, except as otherwise specified.
- 28. If the Commission accepts this S&A in its entirety and incorporates the same into its final order in this docket, the parties intend to be bound by its terms and the Commission's order incorporating its terms as to all issues addressed in this S&A, and will not appeal the Commission's order on those issues.
- 29. The parties shall have the right to present a party witness to the Commission in support of this S&A and provide to the Commission whatever further explanation the Commission requests. Any rationales for settlement advanced by the parties are independent of each other and not acquiesced in or otherwise adopted by the parties.
- 30. This S&A shall be binding on all parties as of the date of the Commission's order adopting the same.

IN WITNESS WHEREOF, the parties have executed and approved this Stipulation and Agreement, by subscribing their signatures below.

For Commission Staff:

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Corrected Exchange Descriptions

This Attachment only lists the exchanges where the descriptions were changed and does not include those whose descriptions were accurate in the original filing by Twin Valley and United.

CLIFTON, KANSAS EXCHANGE AREA

Beginning at a point ¼ mile east and ½ mile north of the southwest corner of Section 13, T4S, R1E, Washington County, Kansas; thence south 4 ¼ miles; thence east 1 ½ miles; thence south ½ mile; thence east ½ mile; thence south_1 % miles to a point 1/8 mile north and 1/4, mile east of the southwest corner of Section 17.T5S, R2E; thence east 1/8 mile; thence south 1/8 mile; thence east 1/8 miles; thence south 3 ¾ miles to a point ¼ mile west and ½ mile north of the southeast corner of Section 10, T6S, R2E, Clay County; thence west ½ mile,; thence south 1 3/4 miles; thence west 3 miles; thence south 1 mile; thence west 1 mile; thence south 2 ¼ miles; thence west approximately 5 ¾ miles to a point ½ mile north and ½ mile west of the southeast corner of Section 1, T7S, R1W; thence north 2 miles; thence east 1 mile; thence north approximately 3 ¼ miles to the middle of the Republican River; thence following said river in a northeasterly direction to a point ½ mile east of the west section line of Section 5, T6S, R1E; thence north approximately 1 ½ miles to the center of the C.R.I.&P. Railroad; thence following said railroad in a southeasterly direction to a point ¼ mile east of the west section line of Section 33, T5S, R1E, Washington County; thence north approximately 2 miles to a point ¼ mile east and ½ mile north of the southwest corner of Section 21, T5S, R1E; thence east ½ mile; thence north 5 miles; thence west ¼, mile; thence north ¼ mile; thence east ¼ mile; thence north 1 ¼ miles; thence east 2 ½ miles to the point of beginning.

REMOTE AREA SERVED FROM CLIFTON EXCHANGE

Beginning at a point ¼ mile south and ¼ mile east of the northwest corner of Section 32, T3S, R2E, Washington County, Kansas; thence south 2 miles; thence west 1 ¾ miles; thence south ¼ mile; thence west 1 mile; thence north 1 miles; thence east 1 ¼ miles; thence south ¼ miles; thence east 2 miles to the point of beginning.

DELPHOS, KANSAS EXCHANGE AREA

Beginning at a point 1/4 mile west and 1/2 mile south of the northeast corner of Section 21, T8S, R4W, Cloud County, Kansas; thence east 5 miles; thence north 1 1/4 miles; thence east 1 1/2 miles; thence south 3 miles; thence east 1 1/4 miles; thence south 1/4 mile; thence east 1 mile; thence south 1/2 mile to a point 1/2 mile west of the southeast corner of Section 36, T8S, R3W, Cloud County; thence to a point 1/2 mile west of the northeast corner of Section 1, T9S, R3W, Ottawa County; thence south 3 1/2 miles; thence west 1 mile; thence south 2 miles; thence west 6 miles;

thence south 1 mile; thence west 2 miles; thence; south 3/4 mile; thence west 4 miles; thence north 3 mile; thence west ½ mile; thence north 2 miles; thence west ½ mile; thence north 1 ½ miles; thence east 2 miles; thence north ½ mile to a point ½ mile west of the northeast corner of Section 1, T9S, R5W, Ottawa County; thence to a point 1/2 mile west of the southeast corner of Section 36 T8S, R5W, Cloud County; thence north 1/8 mile; thence east 2 miles, thence north 5/8 mile; thence east 1/2 mile; thence north 3/4 mile, thence east 3/4 mile; thence north 1 mile to point of beginning.

GREEN. KANSAS EXCHANGE AREA

Beginning at a point 1/4 mile east of the center of the west side of Section 19, T7S, R5E, Riley County, Kansas; thence south 1 mile; thence west 3/4 mile; thence south 2 miles to the center of Section 1, T8S, R4E; thence west 1 mile; thence south 1 mile; thence west 1 mile; thence south 1 mile; thence west 1 mile to the center of Section 16, T8S, R4E; thence south 1 1/4 miles; thence west 1 mile; thence north 1 1/4 miles; thence west 1 3/4 miles; thence north 2 miles; thence east 3/4 mile; thence north 1 mile; thence west 1 mile; thence north 1 mile; thence west 1 mile to the center of Section 26, T7S, R3E; thence north 1 mile; thence east 1/8 mile; thence north 1 mile; thence west 1/8 mile; thence north 4 miles to the center of Section 26, T6S, R3E: thence west 1 mile: thence north 2 miles: thence west 1 mile: thence north 3/4 mile; thence east 1 1/4 miles; thence north 5/8 mile to a point 1/4 mile west and 1/8 mile south of the northeast corner of Section 10, T6S, R3E; thence east 2 1/8 miles; thence north 5/8 mile; thence east 3/8 mile; thence north 1/2 mile; thence east approximately 5 1/2 miles to a point 1/4 mile west of the southeast corner of Section 36, T5S, R4E, Washington County; thence north 1/8 mile; thence east 1 3/4 miles; thence south 1/4 mile; thence east 1 1/4 miles; thence north 1/4 mile; thence east 2 miles; thence south 1/8 mile; thence east approximately 2 5/8 miles to a point 1/2 mile east of the northwest corner of Section 5, T6S, R6E, Riley County; thence south 2 1/2 miles; thence east 3/4 mile; thence south approximately 4 1/2 miles to Fancy Creek; thence northwesterly along Fancy Creek to the east section line of Section 3, T7S,R5E; thence to a point 1/8 mile south of the northeast corner of Section 3, T7S, R5E; thence west 3 ¼ miles; thence south 3/8 mile; thence west ¼ mile; thence south 1 mile; thence east 1/4 mile; thence south 2 miles; thence west 1/2 mile to the point of beginning.

LONGFORD, KANSAS EXCHANGE AREA

Beginning at a point ¼ mile east and ½ mile north of the southwest corner of Section 33, T8S, R1E, Clay County, Kansas; thence south 1 mile; thence east 2 ¼ miles; thence south 1 mile; thence east 3 ¾ miles; thence south 2 miles; thence west¾ mile; thence south 2 miles; thence east 1 ¼ miles; thence south ¾ mile; thence east 1 ½ miles; thence south 1 ¼ miles; thence west ½ mile; thence south 1 ¼ miles; thence east 3 ½ miles; thence south 2 miles; thence east ¾ mile; thence south ½ mile; thence east ½ mile to a point ½ mile east and ¼ mile south of the

northwest corner of Section 33, T10S, R3E Clay County, Kansas; thence south 3 ½ miles to a point ½ mile south and ½ mile east of the northwest comer of Section

16, T11S, R3E, Dickinson County, Kansas; thence west 2 ½ miles; thence north 1 mile, thence west ½ mile; thence north 1 mile; thence west 1½ miles; thence south ½ mile; thence west 1 ½ miles; thence south 1 mile; thence west 1 mile; thence south ¼ mile; thence west 1 mile; thence south 3 ¼ miles; thence east 1 ¼ miles; thence south 3 9/16 miles; thence west ½ mile to a point ¼ mile east and 1/16 mile south of the northwest comer of Section 20, T12S, R2E; thence south 1 7/16 miles; thence west 4 3/8 miles; thence north 3/4 mile; thence west 1 3/8 miles; thence north1 ½ miles to a point ¼ mile south and ½ mile west of the northeast comer of Section 17, T12S, R1E, Dickinson County, Kansas; thence west 2 3/4 miles to a point 1/4 mile west and 1/4 mile south of the northeast comer of Section 14, T12S, R1W, Ottawa County, Kansas; thence south 1 1/4 miles; thence west 2 ½ miles: thence north 2 ¼ miles to a point ¼ mile south and ¼ mile east of the northwest comer of Section 9, T12S, R1W, Ottawa County, Kansas; thence east 3 1/2 miles to a point 1/2 mile east and 1/2 mile south of the northwest comer of Section 7, T12S, R1E, Dickinson County, Kansas; thence north 1 mile; thence west 2 % miles; thence north 3 \(\frac{1}{2} \) miles; thence west 3 miles; thence north 1 \(\frac{1}{2} \) miles to the center of the north side of Section 7, T11S, R1W, thence east ½ mile; thence north 4 ½ miles; thence west approximately ½ mile to a point ½ mile west and ½ mile south of the northeast comer of Section 18 T10S, R1W; thence north 2 miles; thence west 2 1/8 miles; thence north 2 1/4 miles; thence east approximately 3 ½ miles to a point ¼ mile west and ¼ mile south of the northeast corner of Section 30, T9S, R1W; thence south % mile; thence east ½ mile; thence north 1 % miles; thence east 1 ½ miles; thence south 1 ½ miles; thence east 3% mile; thence north 2 1/8 miles; thence east 1 1/8 miles; thence north 1/8 mile; thence west 1/4 mile; thence north ¾ mile; thence east 1 mile, thence south ¾ mile; thence east ¼ mile; thence south ½ mile; thence east ½ mile to the center of Section 7, T9S, R1E, Clay County, Kansas; thence north 2 miles; thence east 1 3/4 miles to the point of beginning.

MILORD, KANSAS EXCHANGE AREA

Beginning at a point 1/2 mile north and 1/2 mile east of the southwest corner of Section 28, T9S, R5E, Riley County; thence south 1 3/4 miles; thence east 2 miles; thence south 2 1/4 miles; thence east 1/2 mile to a point 1/2 mile north of the southeast corner of Section 14, T10S, R5E, Riley County; thence south 3 miles; thence west approximately 2 1/2 miles to a point 1/2 mile west and 1/2 mile north of the northeast corner of Section 4, T11S, R5E, Geary County; thence south 3/4 mile; thence west 1/2 mile; thence south 1/4 mile; thence west 2 7/8 miles to a point 1/2 mile north and 1/8 mile east of the southwest corner of Section 1, T11S, R4E, Geary County; thence north 1/2 mile; thence to a point 1/8 mile east of the southwest corner of Section 36, _T10S, R4E; thence north 1 mile; thence west 2 ½ miles; thence north 1 ½

miles; thence east 1/4 mile; thence north 1/4 mile; thence east 1 1/4 miles; thence north approximately 1 3/4 miles to the Republican River Channel in the Milford Reservoir; thence in a northwesterly direction following the Republican River Channel in the Milford Reservoir to a point 1/2 mile north of the south line of Section 20, T9S, R4E, Clay County; thence east approximately 1/2 mile to the east line of Section 20, T9S, R4E; thence north 1 3/4 miles; thence east 1 1/2 miles; thence south 1/4 mile; thence east 1 mile; thence south 1/2 mile; thence east 1 mile; thence south 1 mile; thence south 1 mile to a point 1/2 mile south of the northwest corner of Section 19, T9S, R4E, Riley County; thence east 1 3/4 miles; thence south 1 mile; thence east 3/4 mile to the point of beginning.

OLSBURG, KANSAS EXCHANGE AREA

Beginning at a point on Marshall-Pottawatomie County line ½ mile west of the northeast corner of Section 6, T6S, R8E; thence south 1 ½ miles; thence east 1 mile; thence south 2 3/8 miles; thence east ½ mile; thence south 2 ¼ miles; thence east ¾ mile to a point ¼ mile west and ¼ mile north of the south-east comer of Section 33, T6S, R8E; thence south 9 ¾ miles to a point ¼ mile west and ½ mile north of the southeast comer of Section 21, T8S, R8E; thence west 1 ¼ miles; thence south 1 ¾ miles; thence west approximately 2 ¼ miles; thence south 1 ½ miles; thence west approximately 2 ½ miles to the Riley-Pottawatomie County line; thence in a northerly direction along said county line to the north line of Section 6, T6S, R8E; thence east approximately ½ mile to point of beginning.

RILEY, KANSAS EXCHANGE AREA

Beginning at a point 1/2 mile east and 1/4 mile south of the northwest corner of Section 21, T8S, R6E, Riley County, Kansas; thence south 1/4 mile; thence east 7/16 mile; thence south 1 mile; thence east 2 5/16 miles; thence north 1 mile; thence east 1 1/4 miles; thence north 1/4 mile; thence east approximately 1 1/8 miles to a point on the Riley-Pottawatomie County line; thence in a southerly direction along the Riley-Pottawatomie County line to a point 1/2 mile south of the north line of Section 3, T9S, R7E; thence west approximately 1 mile to a point 1/2 mile east and 1/2 mile south of the northwest corner of Section 4, T9S, R7E; thence north to Mill Creek; thence in a westerly direction along said creek to a point 1/2 mile west of the east side of Section 2, T9S, R6E; thence south approximately 4 1/4 miles to a point 1/2 mile south and 1/2 mile west of the northeast corner of Section 26, T9S, R6E; thence west 1 1/4 miles; thence south 1 1/2 miles; thence west 4 1/4 miles to

the southwest corner of Section 36, T9S, R5E; thence south 2 1/2 miles; thence west 1/2 mile; thence north 2 1/4 miles; thence west 2 miles; thence north 1 3/4 miles; thence west 3/4 mile; thence north 1 mile; thence west 1 3/4 miles to a point 1/2 mile south of the northwest corner of Section 19, T9S, R5E; thence north 1 mile; thence west 1 1/2 miles; thence north 1/2 mile to a point 1/2 mile west of the northeast corner of Section 14, T9S, R4E, Riley County; thence west 1 mile to a point 1/2 mile west of the northeast corner of Section 15, T9S, R4E, Clay County; thence north 1/4 mile; thence west 1 1/2 miles; thence south 1 3/4 miles; thence west approximately 1/2 mile to the Republican River Channel in the Milford Reservoir; thence in a northwesterly direction along said river channel to a point 1/16 mile west of the east side of Section 1, T9S, R3E; thence north approximately 1 1/2 miles to a point 1/16 mile west of the northeast corner of Section 36, T8S, R3E; thence west 13/16 mile; thence north 2 1/4 miles; thence east 5/8 mile; thence north 1/4 mile; thence east 1 3/4 miles; thence south 1 1/4 miles; thence east 1 mile; thence north 1 1/4 miles; thence east 1 1/2 miles to a point 1/2 mile north of the southeast corner of Section 15, T8S, R4E, Clay County; thence south 1 3/4 miles to a point 1/4 mile south of the northwest corner of Section 26, T8S, R4E, Riley County; thence east 3/4 mile; thence south 1 mile; thence east 3/4 mile; thence north 1/2 mile; thence east 5/8 mile; thence south 3/4 mile; thence east 1 mile; thence north 1 mile; thence east 1 3/8 miles; thence south 1 mile; thence east 1 mile to a point 1/2 mile east and 1/2 mile south of the northwest corner of Section 34, T8S, R5E; thence north 1 1/4 miles; thence east 1 mile; thence north 3/8 mile; thence east 3/4 mile; thence north 5/8 mile to a point 1/4 mile south and 1/4 mile east of the northwest corner of Section 24, T8S, R5E; thence east 1 1/4 miles; thence south 1/2 mile; thence east 1 mile; thence north 1/2 mile; thence east 1 mile to the point of beginning.

Exchange Descriptions

This Attachment only lists the exchanges where the descriptions were changed and does not include those whose descriptions were accurate in the original filing by Twin Valley and United.

AURORA KS EXCHANGE AREA

Beginning at a point ¼ mile east and ¼ mile north of the southwest corner of Section 18, T6S, R1W, Cloud County, Kansas; thence south 2 miles; thence east approximately 2½ miles to a point ¼ mile west and ¼ mile north of the southeast corner of Section 28, T6S, R1W; thence south 3¾ miles; thence west 1/4 mile; then south 3/8 mile; thence west 5/8 mile; thence south 1 mile; thence west 1 mile; thence south 5/8 mile; thence west approximately 2 1/8 miles to a point ¼ mile west and ½ mile south of the northeast corner of Section 26, T7S, R2W; thence south 2 miles; thence west 5 miles; thence south 1 mile; thence west ½ mile, thence north ¾ mile; thence west 2 miles; thence north 7 ¼ miles; thence east 2½ miles; thence north 1¾ miles; thence east ½ mile to a point ¼ mile east and ¼ mile north of the southwest corner of Section 19, T6S, R2W; thence north 1/4 mile, thence east 3 miles; thence south 1 mile; thence east 1¼ miles; thence north 1¾ miles; thence east 1 ¼ miles; thence north 1¾ miles; thence east 1 ¼ miles; thence north 1¾ miles; thence east 1 ¼ miles; thence north 1¾ miles; thence east 1 ¼ miles; thence north 1 ¾ miles; thence east 1 ¾ miles; thence east 1 ¼ miles; thence

CLIFTON, KANSAS EXCHANGE AREA

Beginning at a point 1/4 mile east and 1/2 mile north of the southwest corner of Section 13, T4S, R1E, Washington County, Kansas; thence south 4 ¼ miles; thence east 1 ½ miles; thence south ½ mile; thence east ½ mile; thence south 1 5% miles to a point ½ mile north and ¼, mile east of the southwest corner of Section 17,T5S, R2E; thence east \% mile; thence south \% mile; thence east 1 \% miles; thence south 3 3/4 miles to a point 1/4 mile west and 1/2 mile north of the southeast corner of Section 10, T6S, R2E, Clay County; thence west ½ mile,; thence south 1 ¾ miles; thence west 3 miles; thence south 1 mile; thence west 1 mile; thence south 2 1/4 miles; thence west approximately 5 ¾ miles to a point ½ mile north and ½ mile west of the southeast corner of Section 1, T7S, R1W; thence north 2 miles; thence east 1 mile; thence north approximately 3 \(\frac{1}{2} \) miles to the middle of the Republican River; thence following said river in a northeasterly direction to a point ½ mile east of the west section line of Section 5, T6S, R1E; thence north approximately 1 ½ miles to the center of the C.R.I.&P. Railroad; thence following said railroad in a southeasterly direction to a point ¼ mile east of the west section line of Section 33, T5S, R1E, Washington County; thence north approximately 2 miles to a point 1/4 mile east and ½ mile north of the southwest corner of Section 21, T5S, R1E; thence east ½ mile; thence north 5 miles; thence west ¼, mile; thence north ¾ mile; thence east ¼ mile; thence north 1 1/4 miles; thence east 2 1/2 miles to the point of beginning.

Beginning at a point ¼ mile south and ¼ mile east of the northwest corner of Section 32, T3S, R2E, Washington County, Kansas; thence south 2 miles; thence west 1 ¾ miles; thence south ¼ mile; thence west 1 mile; thence north 1 mile; thence west 1 mile; thence ast 1 ¼ miles; thence south ¼ mile; thence east 1 ½ mile; thence east 2 miles to the point of beginning.

CLYDE KS EXCHANGE AREA

Beginning at a point 1/2 mile east and 1/4 mile north of the southwest corner of Section 21, T4S, R1E, Washington County, Kansas; thence south 3/4 mile; thence east 1/4 mile, thence south 5 miles; thence west 1/2 mile; thence south approximately 2 miles to the center of the C. R. I. & P. Railroad; thence along said railroad in a westerly direction to a point ½ mile east of the west line of Section 32, T5S, R1E; thence south approximately 1-3/4 miles to the middle of the Republican River; thence along said river in a westerly direction to a point 1/2 mile east of the west line of Section 7, T6S, R1E, Clay County; thence south approximately 3-1/4 miles to a point 1/2 mile east and 1/2 mile south of the northwest corner of Section 30, T6S, R1E, thence west 1 mile; thence south 2-3/4 miles; thence west 1/4 mile; thence south 1/4 mile to a point 1/4 mile east and 1/2 mile north of the southwest corner of Section 12, T7S, R1W; thence west 2-1/2 miles; thence north 2-3/4 miles to a point 1/4 mile west and 1/4 mile north of the southeast corner of Section 28, T6S, R1W, thence west approximately 2 3/8 miles to a point 1/4 mile east and 1/4 mile north of the southwest corner of Section 30, T6S, R1W; thence north 2 miles to a point 1/4 mile east and 1/4 mile north of the southwest corner of Section 18, T6S, R1W, Cloud County; thence west 1/2 mile; thence north approximately 2-3/4 miles to a point 1/4 mile west of the northeast corner of Section 1, T6S, R2W; thence west to a point 1/4 mile west of the southeast corner of Section 36, T5S, R2W; thence north approximately 2-1/4 miles to the middle of the Republican River; thence along said river in a westerly direction to a point 1/8 mile west of the east line of Section 27, T5S, R2W, thence north approximately 2-1/2 miles to a point 1/8 mile west and 1/4 mile north of the southeast corner of Section 10, T5S, R2W; thence east 1 mile; thence north 1-1/2 miles; thence east approximately 4 miles to the center of C. R. I. & P Railroad; thence along said railroad in a northerly direction approximately ½ mile to a point 1/4 mile north of the south line of Section 33, T4S, R1W, Republic County; thence east approximately 1 mile to a point 1/4 mile west and 1/4 mile north of the southeast corner of Section 34 T4S, R1W, Republic County; thence north 1 mile; thence east 1-3/4 miles; thence north 1/2 miles; thence east 3/4 mile to a point 1/4 mile east and 1/4 mile south of the northwest corner of Section 30, T4S, R1E, Washington County; thence north 1/2 mile; thence east 2-1/4 miles to point of beginning.

DELPHOS, KANSAS EXCHANGE AREA

Beginning at a point 1/4 mile west and 1/2 mile south of the northeast corner of Section 21, T8S, R4W, Cloud County, Kansas; thence east 5 miles; thence north 1 1/4 miles; thence east 1 1/2 miles; thence south 3 miles; thence east 1 1/4 miles; thence south 1/4 mile; thence east 1 mile; thence south 1/2 mile to a point 1/2 mile west of the southeast corner of Section 36, T8S, R3W, Cloud County; thence to a point 1/2 mile west of the northeast corner of Section 1, T9S, R3W, Ottawa County; thence south 3 1/2 miles; thence west 1 mile; thence south 2 miles; thence west 6 miles; thence south 1 mile; thence west 2 miles; thence; south 3/4 mile; thence west 4 miles; thence north 3 mile; thence west ½ mile; thence north 2 miles; thence west ½ mile; thence north 1 % miles; thence east 2 miles; thence north \% mile to a point \\\ \lambda \text{ mile} west of the northeast corner of Section 1, T9S, R5W, Ottawa County; thence to a point 1/2 mile west of the southeast corner of Section 36 T8S, R5W, Cloud County; thence north 1/8 mile; thence east 2 miles, thence north 5/8 mile; thence east 1/2 mile; thence north 3/4 mile, thence east 3/4 mile; thence north 1 mile to point of beginning.

GLASCO, KS EXCHANGE AREA

Beginning at a point ½ mile south and ½ mile east of the northwest corner of Section 3, T7S, R5W, Cloud County, Kansas; thence east 5 miles; thence south 1 mile; thence east 1 mile; thence south 2-1/4 miles; thence east 2 miles; thence south 1/2 mile; thence east 3/4 mile; thence south 1 mile; thence east 1-1/2 miles; thence south 4-1/4 miles to a point 1/4 mile west and 1/2 mile south of the northeast corner of Section 20, T8S, R3W; thence west 5 miles; thence south 1 mile; thence west 3/4 mile; thence south 3/4 mile; thence west 1/2 mile; thence south 5/8 miles thence west 2 miles; thence south 1/8 mile to a point ½ mile west of the southeast corner of Section 36, T8S, R5W, Cloud County; thence to a point ½ mile west of the northeast corner of Section 1, T9S, R5W, Ottawa County, thence south 5/8 mile; thence west 4 miles; thence north 4-1/8 miles to a point at the center of Section 17, T8S, R5W; thence east 3/4 miles; thence north 1-1/4 miles; thence east 1/2 mile; thence north 2-3/4 miles; thence west ¼ mile; thence north 2 miles; thence east 1 mile; thence north 2 miles to the point of beginning.

GREEN, KANSAS EXCHANGE AREA

Beginning at a point 1/4 mile east of the center of the west side of Section 19, T7S, R5E, Riley County, Kansas; thence south 1 mile; thence west 3/4 mile; thence south 2 miles to the center of Section 1, T8S, R4E; thence west 1 mile; thence south 1 mile; thence west 1 mile to the center of Section 16, T8S, R4E; thence south 1 mile; thence west 1 mile; thence north 1 1/4 miles; thence west 1 3/4 miles; thence east 3/4 mile;

thence north 1 mile; thence west 1 mile; thence north 1 mile; thence west 1 mile to the center of Section 26, T7S, R3E; thence north 1 mile; thence east 1/8 mile; thence north 1 mile; thence west 1/8 mile; thence north 4 miles to the center of Section 26, T6S, R3E; thence west 1 mile; thence north 2 miles; thence west 1 mile; thence north 3/4 mile; thence east 1 1/4 miles; thence north 5/8 mile to a point 1/4 mile west and 1/8 mile south of the northeast corner of Section 10, T6S, R3E; thence east 2 1/8 miles: thence north 5/8 mile: thence east 3/8 mile; thence north 1/2 mile; thence east approximately 5 1/2 miles to a point 1/4 mile west of the southeast corner of Section 36, T5S, R4E, Washington County; thence north 1/8 mile; thence east 1 3/4 miles; thence south 1/4 mile; thence east 1 1/4 miles; thence north 1/4 mile; thence east 2 miles; thence south 1/8 mile; thence east approximately 2 5/8 miles to a point 1/2 mile east of the northwest corner of Section 5, T6S, R6E, Riley County; thence south 2 1/2 miles; thence east 3/4 mile; thence south approximately 4 1/2 miles to Fancy Creek; thence northwesterly along Fancy Creek to the east section line of Section 3, T7S,R5E; thence to a point 1/8 mile south of the northeast corner of Section 3, T7S, R5E; thence west 3 ¼ miles; thence south 3/8 mile; thence west ¼ mile; thence south 1 mile; thence east \(\frac{1}{4} \) mile; thence south 2 miles; thence west \(\frac{1}{2} \) mile to the point of beginning.

LEONARDVILLE, KS EXCHANGE AREA

Beginning at a point on Fancy Creek on the north section line of Section 9, T7S, R6E, Riley County, Kansas; thence east approximately 1 3/4 miles to the northeast corner of Section 10, T7S, R6E; thence south 1 mile; thence east approximately 1 1/4 miles to the Riley-Pottawatomie County line; thence in a southerly direction along said county line to a point \(\frac{1}{2} \) mile south of the north line of Section 20, T8S, R7E; thence west approximately 1 1/8 miles to a point ½ mile west and ¼ mile south of the northeast corner of Section 19, T8S, R7E; thence south ¼ mile; thence west 1 ¼ miles; thence south 1 mile; thence west 2 5/16 miles; thence north 1 mile; thence west 7/16 mile; thence north ¼ mile; thence west 1 mile, thence south ½ mile; thence west 1 mile; thence north ½ mile; thence west 1 ¼ miles to a point 1/4 mile south and 1/4 mile east of the northwest corner of Section 24. T8S, R5E; thence south 5/8 mile; thence west 3/4 mile; thence south 3/8 mile; thence west 1 mile; thence south 1 ¼ miles; thence west 1 mile; thence north 1 mile; thence west 1 3/8 miles; thence south 1 mile; thence west 1 mile; thence north 34 mile; thence west 5/8 mile; thence south 1/2 mile; thence west 3/4 mile; thence north 1 mile; thence west 34 mile; thence north 1 34 miles; thence west 1/2 mile; thence north 1 mile; thence east 1 mile; thence north 1 mile; thence east 1 mile; thence north 2 miles; thence east 3/4 mile; thence north 1 mile to a point 1/4 mile east of the center of the west side of Section 19, T7S, R5E, Riley County, Kansas; thence east ½ mile; thence north 2 miles; thence west ¼ mile, thence north 1 mile, thence east ½ mile, thence north 3/8 mile; thence east approximately 3 ¼ miles to Fancy Creek; thence southeasterly along said creek to the point of beginning.

LONGFORD, KANSAS EXCHANGE AREA

Beginning at a point ¼ mile east and ½ mile north of the southwest corner of Section 33, T8S, R1E, Clay County, Kansas; thence south 1 mile; thence east 2 ¼ miles; thence south 1 mile; thence east 3 ¾ miles; thence south 2 miles; thence west¾ mile; thence south 2 miles; thence east 1 ¼ miles; thence south ¾ mile; thence east 1 ½ miles; thence south 1 ¼ miles; thence west ½ mile; thence south 1 ¼ miles; thence east 3 ½ miles; thence south 2 miles; thence east ¾ mile; thence south ½ mile; thence east ½ mile to a point ½ mile east and ¼ mile south of the northwest corner of Section 33, T10S, R3E Clay County, Kansas; thence south 3 ¼ miles to a point ½ mile south and ½ mile east of the northwest comer of Section

16, T11S, R3E, Dickinson County, Kansas; thence west 2 ½ miles; thence north 1 mile, thence west ½ mile; thence north 1 mile; thence west 1½ miles; thence south ½ mile; thence west 1 ½ miles; thence south 1 mile; thence west 1 mile; thence south ¼ mile; thence west 1 mile; thence south 3 ¼ miles; thence east 1 ¼ miles; thence south 3 9/16 miles; thence west ½ mile to a point ¼ mile east and 1/16 mile south of the northwest comer of Section 20, T12S, R2E; thence south 1 7/16 miles; thence west 4 3/8 miles; thence north 3/4 mile; thence west 1 3/8 miles; thence north1 ½ miles to a point ¼ mile south and ½ mile west of the northeast comer of Section 17, T12S, R1E, Dickinson County, Kansas; thence west 2 3/4 miles to a point 1/4 mile west and 1/4 mile south of the northeast comer of Section 14, T12S, R1W, Ottawa County, Kansas; thence south 1 ¼ miles; thence west 2 ½ miles; thence north 2 ¼ miles to a point ¼ mile south and ¼ mile east of the northwest comer of Section 9, T12S, R1W, Ottawa County, Kansas; thence east 3 1/8 miles to a point 1/8 mile east and 1/4 mile south of the northwest comer of Section 7, T12S, R1E, Dickinson County, Kansas; thence north 1 mile; thence west 2 % miles; thence north 3 \(\frac{3}{4} \) miles; thence west 3 miles; thence north 1 \(\frac{1}{2} \) miles to the center of the north side of Section 7, T11S, R1W, thence east ½ mile; thence north 4 ½ miles; thence west approximately ½ mile to a point ½ mile west and ½ mile south of the northeast comer of Section 18 T10S, R1W; thence north 2 miles; thence west 2 \% miles; thence north 2 \% miles; thence east approximately 3 \% miles to a point ¼ mile west and ¼ mile south of the northeast corner of Section 30, T9S, R1W; thence south 5/8 mile; thence east 1/2 mile; thence north 1 5/8 miles; thence east 1 ½ miles; thence south 1 ½ miles; thence east 3% mile; thence north 2 % miles; thence east 1 % miles; thence north 1/8 mile; thence west 1/4 mile; thence north 34 mile; thence east 1 mile, thence south 34 mile; thence east 14 mile; thence south ½ mile; thence east ½ mile to the center of Section 7, T9S, R1E, Clay County, Kansas; thence north 2 miles; thence east 1 3/4 miles to the point of beginning.

MILORD, KANSAS EXCHANGE AREA

Beginning at a point 1/2 mile north and 1/2 mile east of the southwest corner of Section 28, T9S, R5E, Riley County; thence south 1 3/4 miles; thence east 2 miles; thence south 2 1/4 miles; thence east 1/2 mile to a point 1/2 mile north of the southeast corner of Section 14, T10S, R5E, Riley County; thence

south 3 miles; thence west approximately 2 1/2 miles to a point 1/2 mile west and 1/2 mile north of the northeast corner of Section 4, T11S, R5E, Geary County; thence south 3/4 mile; thence west 1/2 mile; thence south 1/4 mile; thence west 2 7/8 miles to a point 1/2 mile north and 1/8 mile east of the southwest corner of Section 1, T11S, R4E, Geary County; thence north 1/2 mile; thence to a point 1/8 mile east of the southwest corner of Section 36, T10S, R4E; thence north 1 mile; thence west 2 \(\frac{1}{8} \) miles; thence north 1 \(\frac{1}{2} \) miles; thence east 1/4 mile; thence north 1/4 mile; thence east 1 1/4 miles; thence north approximately 1 3/4 miles to the Republican River Channel in the Milford Reservoir; thence in a northwesterly direction following the Republican River Channel in the Milford Reservoir to a point 1/2 mile north of the south line of Section 20, T9S, R4E, Clay County; thence east approximately 1/2 mile to the east line of Section 20, T9S, R4E; thence north 1 3/4 miles; thence east 1 1/2 miles; thence south 1/4 mile; thence east 1 mile; thence south 1/2 mile; thence east 1 1/2 miles to a point 1/2 mile north of the southeast corner of Section 13, T9S, R4E, Riley County; thence south 1 mile to a point 1/2 mile south of the northwest corner of Section 19, T9S, R4E, Riley County; thence east 1 3/4 miles; thence south 1 mile; thence east 3/4 mile to the point of beginning.

MORGANVILLE, KANSAS EXCHANGE AREA

Beginning at a point ½ mile east and ½ mile north of the southwest corner of Section 8, T6S, R3E, Clay County, Kansas; thence south 1 mile; thence east 2 miles, thence south 3 miles; thence west 1 mile; thence south 1 mile to a point ½ mile south and ½ mile east of the northwest corner of Section 4, T7S, R3E; thence west 2 miles; thence south 1 3/4 miles; thence west 5/8 mile; thence north 1/2 mile; thence west 1 1/8 miles; thence south 3/4 mile; thence west 1/2 mile; thence south 3/4 mile to a point ¼ mile south and ¼ mile east of the northwest corner of Section 23, T7S, R2E, thence west ¾ mile; thence south 1 mile; thence west 2 miles; thence south ½ mile; thence west 5/8 mile; thence north ¼ mile; thence west 1 3/8 miles; thence north \(\frac{1}{4} \) mile, thence west 2 5/8 miles to a point 1/8 mile west and 1/4 mile south of the northeast corner of Section 28, T7S, R1E; thence north 1 1/8 miles; thence west 2 3/8 miles; thence south 5/8 mile to a point 1/4 mile north and ½ mile west of the southeast corner of Section 19, T7S, R1E, Clay County; thence west 1 ¼ miles to a point ¼ mile east and ¼ mile north of the southwest corner of Section 24, T7S, R1W, Cloud County; thence north 2 ½ miles; thence east ¼ mile; thence north \(^3\)4 mile to a point \(^1\)2 mile north and \(^1\)2 mile west of the southeast corner of Section 1, T7S, R1W, Cloud County; thence east 5 ¾ miles to a point 1/4 mile east and 1/2 mile north of the southwest corner of Section 1, T7S, R1E, Clay County; thence north 2 ¼ miles; thence east 1 mile; thence north 1 mile; thence east 3 miles; thence north 1 3/4 miles; thence east 4 1/4 miles to the point of beginning.

OLSBURG, KANSAS EXCHANGE AREA

Beginning at a point on Marshall-Pottawatomie County line ½ mile west of the

northeast corner of Section 6, T6S, R8E; thence south 1 ½ miles; thence east 1 mile; thence south 2 3/8 miles; thence east ½ mile; thence south 2 ¼ miles; thence east ¾ mile to a point ¼ mile west and ¼ mile north of the south-east comer of Section 33, T6S, R8E; thence south 9 ¾ miles to a point ¼ mile west and ½ mile north of the southeast comer of Section 21, T8S, R8E; thence west 1 ¼ miles; thence south 1 ¾ miles; thence west approximately 2 ¼ miles; thence south 1 ½ miles; thence west approximately 2 ½ miles to the Riley-Pottawatomie County line; thence in a northerly direction along said county line to the north line of Section 6, T6S, R8E; thence east approximately ½ mile to point of beginning.

RILEY, KANSAS EXCHANGE AREA

Beginning at a point 1/2 mile east and 1/4 mile south of the northwest corner of Section 21, T8S, R6E, Riley County, Kansas; thence south 1/4 mile; thence east 7/16 mile; thence south 1 mile; thence east 2 5/16 miles; thence north 1 mile; thence east 1 1/4 miles; thence north 1/4 mile; thence east approximately 1 1/8 miles to a point on the Riley-Pottawatomie County line; thence in a southerly direction along the Riley-Pottawatomie County line to a point 1/2 mile south of the north line of Section 3, T9S, R7E; thence west approximately 1 mile to a point 1/2 mile east and 1/2 mile south of the northwest corner of Section 4, T9S, R7E; thence north to Mill Creek; thence in a westerly direction along said creek to a point 1/2 mile west of the east side of Section 2, T9S, R6E; thence south approximately 4 1/4 miles to a point 1/2 mile south and 1/2 mile west of the northeast corner of Section 26, T9S, R6E; thence west 1 1/4 miles; thence south 1 1/2 miles; thence west 4 1/4 miles to the southwest corner of Section 36, T9S, R5E; thence south 2 1/2 miles; thence west 1/2 mile; thence north 2 1/4 miles; thence west 2 miles; thence north 1 3/4 miles; thence west 3/4 mile; thence north 1 mile; thence west 1 3/4 miles to a point 1/2 mile south of the northwest corner of Section 19, T9S, R5E; thence north 1 mile; thence west 1 1/2 miles; thence north 1/2 mile to a point 1/2 mile west of the northeast corner of Section 14, T9S, R4E, Riley County; thence west 1 mile to a point 1/2 mile west of the northeast corner of Section 15, T9S, R4E, Clay County; thence north 1/4 mile; thence west 1 1/2 miles; thence south 1 3/4 miles; thence west approximately 1/2 mile to the Republican River Channel in the Milford Reservoir; thence in a northwesterly direction along said river channel to a point 1/16 mile west of the east side of Section 1, T9S, R3E; thence north approximately 1 1/2 miles to a point 1/16 mile west of the northeast corner of Section 36, T8S, R3E; thence west 13/16 mile; thence north 2 1/4 miles; thence east 5/8 mile; thence north 1/4 mile; thence east 1 3/4 miles; thence south 1 1/4 miles; thence east 1 mile; thence north 1 1/4 miles; thence east 1 1/2 miles to a point 1/2 mile north of the southeast corner of Section 15, T8S, R4E, Clay County; thence south 1 3/4 miles to a point 1/4

mile south of the northwest corner of Section 26, T8S, R4E, Riley County; thence east 3/4 mile; thence south 1 mile; thence east 3/4 mile; thence north 1/2 mile; thence east 5/8 mile; thence south 3/4 mile; thence east 1 mile; thence east 1 mile; thence east 1 mile; thence east 1 mile to a point 1/2 mile east and 1/2 mile south of the northwest corner of Section 34, T8S, R5E; thence north 1 1/4 miles; thence east 1 mile; thence north 3/8 mile; thence east 3/4 mile; thence north 5/8 mile to a point 1/4 mile south and 1/4 mile east of the northwest corner of Section 24, T8S, R5E; thence east 1 1/4 miles; thence south 1/2 mile; thence east 1 mile; thence north 1/2 mile; thence east 1 mile to the point of beginning.

WAKEFIELD KS EXCHANGE AREA

Beginning at a point ½ mile east and 1/4 mile north of the southwest corner of Section 12, T9S, R2E, Clay County; thence east 1 mile; thence south 5/16 mile; thence east 2 miles to a point 1/2 mile west and 1/16 mile south of the northeast corner of Section 16, T9S, R3E, Clay County; thence north 13/16 mile; thence east 3/4 mile; thence south 7/8 mile; thence east 1 1/4 miles; thence south 3/8 mile; thence east approximately 1 1/4 miles to the Republican River Channel in the Milford Reservoir; thence in a southeasterly direction following said river channel to a point ½ mile east of the west line of Section 11, T10S, R4E; Geary County; thence south approximately 1 3/4 miles to a point 1/4 mile south and 1/2 mile east of the northwest corner of Section 23, T10S, R4E; thence west 1 1/4 miles; thence south 1/4 mile; thence west 1/4 mile; thence south 1 1/2 miles to the northeast corner of Section 33, T10S, R4E, Clay County; thence west 1/2 mile; thence south 3/4 mile; thence west 1 7/16 miles to a point 1/16 mile east and 1/4 mile north of the southwest corner of Section 32, T10S, R4E, Clay County; thence south 1 ½ miles; thence west 3/16 mile; thence south 1 ¼ miles; thence west 34 mile; thence south 1 mile; thence west 2 miles to a point 1/2 mile north and 1/8 mile east of the southwest corner of Section 23 T11S, R3E, Dickinson County; thence south 1 mile; thence west 5/8 mile; thence south 3/8 mile; thence west 5/8 mile thence south 7/8 mile; thence west 7/8 mile; thence north 1 1/4 miles; thence west 1 mile; thence north 3/4 mile; thence west ½ mile; thence north 1 1/4 miles; thence east 2 miles; thence north 3 ½ miles; thence west ½ mile; thence north 1/2 mile; thence west ¾ mile; thence north 2 miles to a point ¼ mile north and 1/4 mile east of the southwest corner of Section 17, T10S, R3E, Clay County; thence west 3 1/2 miles; thence north 1 1/4 miles; thence east 1/2 mile; thence north 1 1/4 miles thence west 1 5/16 miles; thence north 1 mile; thence east 2 9/16 miles; thence north 3/4 mile; thence west 1 7/16 miles; thence north 1 mile; thence east 1 7/16 miles; thence north 1 3/4 miles to the point of beginning.